

In re Patent Application of:  
PHILLIPS ET AL  
Serial No. 10/706,142  
Filed: 11/12/2003

---

reconsideration of the present application in light of the amendment filed November 2, 2005, and the discussions below, which will address the specific points of omission alleged in the communication of January 18, 2006.

Before addressing the specific points alleged in the outstanding communication of January 18, 2006, attention is respectfully directed to the provisions of 37 C.F.R. § 1.111 (b) and (c) which read as follows:

(b) In order to be entitled to reconsideration or further examination, the applicant or patent owner must reply to the Office action. The reply by the applicant or patent owner must be reduced to a writing which distinctly and specifically points out the supposed errors in the examiner's action and must reply to every ground of objection and rejection in the prior Office action. The reply must present arguments pointing out the specific distinctions believed to render the claims, including any newly presented claims, patentable over any applied references. If the reply is with respect to an application, a request may be made that objections or requirements as to form not necessary to further consideration of the claims be held in abeyance until allowable subject matter is indicated. The applicant's or patent owner's reply must appear throughout to be a bona fide attempt to advance the application or the reexamination proceeding to final action. A general allegation that the claims define a patentable invention without specifically pointing out how the language of the claims patentably distinguishes them from the references does not comply with the requirements of this section.

(c) In amending in reply to a rejection of claims in an application or patent under reexamination, the applicant or patent owner

In re Patent Application of:  
**PHILLIPS ET AL**  
Serial No. 10/706,142  
Filed: 11/12/2003

---

must clearly point out the patentable novelty which he or she thinks the claims present in view of the state of the art disclosed by the references cited or the objections made. The applicant or patent owner must also show how the amendments avoid such references or objections.  
(Emphasis added)

Applicants respectfully submit that the amendment of November 2, 2005, does indeed clearly point specific distinctions that Applicants believe render the claims patentable over the cited references (Uyama et al and Coombs et al), in compliance with 37 C.F.R. § 1.111 (a), as well as the patentable novelty presented in the claims that makes the claims avoid the cited references (Uyama et al and Coombs et al), in compliance with 37 C.F.R. § 1.111 (b).

As a non-limiting example, attention is directed to lines 20-29, of page 5 and the entirety (lines 1-26) of page 6 of the amendment of November 2, 2005, which read as follows:

"Claim 1 of the instant invention clearly recites a method of forming two structures on opposite sides of a light transmissive substrate; a hologram or grating on one side and a color shifting structure on a second side.

Uyama et al. do not suggest placing these two optical structures on opposite sides of a light transmissive substrate. Disposing these structures in this manner has a profound, unexpected, synergistic visual effect. A highly color shifting device is provided wherein the hologram appears to float in space.

Uyama et al. teach a transparent hologram seal that can be applied as a security article. Uyama et al. appear to place the hologram and color shifting layer on the same side of a light transmissive

In re Patent Application of:  
**PHILLIPS ET AL**  
Serial No. 10/706,142  
Filed: 11/12/2003

---

substrate. The color shifting layer is an evaporation coating layer comprised of alternatively arranged high and low refractive index layers, such that it changes color as light either transmits or reflects through the layer when the viewing angle is changed. The multilayer evaporation layer serves as the color shifting multilayer optical coating. It should be further noted that Uyama et al.'s absence of a reflector layer as defined in claim 3 of the instant claims, makes his device inferior to the Applicants' embodiment having a reflector layer yielding high chroma. For Uyama et al. to have high chroma, his device is best placed on a black background. This requirement is obviated by Applicants' structure by inclusion of a reflective layer.

In contrast to the instant claimed invention, Uyama et al. do not teach that the color shifting coating layer is formed on the second surface of the substrate, opposite to the first surface, (where the hologram layer is formed).

In contrast to the teachings of Uyama et al., Applicants' claims define a method that yields a structure wherein the microstructural interference pattern is disposed (a predetermined distance) on the other side of the substrate from the color shifting multilayer optical coating overlying the second surface of the substrate."

Attention may also be directed to lines 3-6, of page 11 of the amendment of November 2, 2005, which read as follows:

"Applicants believe that the rejection under 35 U.S.C. § 103(a) over Uyama et al. (5,700,550) in view of Coombs et al. are traversed in view of the amendments to the claims and reasons set forth above."

as well as lines 16-24, of page 11 of the amendment of November 2, 2005, which read as follows:

In re Patent Application of:  
PHILLIPS ET AL  
Serial No. 10/706,142  
Filed: 11/12/2003

---

"Furthermore, neither Coombs nor Uyama et al. teach a method of obtaining a structure wherein a hologram or grating is on one side of a light transmissive substrate and wherein a thin film interference device having an absorber, dielectric and reflector layer is on the other side of the light transmissive substrate providing a color shift with viewing angle and a hologram which appears to be floating upon the color shifting background."

A re-reading of the amendment of 2 November 2005, is invited.

As to the specific points raised in the Communication of January 18, 2006, the following reply/rebuttal is offered.

The first omission/matter raised by the Examiner in the Communication of January 18, 2006, is restated as follows:

"Applicant is arguing that the instant color shifting effect is not shown in Uyama et al for reasons that are not in independent claim - namely the structure of the color shifting film. Hence it is not necessarily clear why instant claim 1 would be allowable as generally argued by the applicant."

Applicants respectfully submit that this statement is inaccurate. Attention is respectfully directed to the following portions of the remarks of the amendment filed November 2, 2005:

Page 5, lines 20-24, which are restated as follows:

"Claim 1 of the instant invention clearly recites a method of forming two structures on opposite sides of a light

In re Patent Application of:  
**PHILLIPS ET AL**  
Serial No. 10/706,142  
Filed: 11/12/2003

---

transmissive substrate; a hologram or grating on one side and a color shifting structure on a second side." (Emphasis added)

Page 5, lines 24-29, which are restated as follows:

"Uyama et al, do not suggest placing these two optical structures on opposite sides of a light transmissive substrate. Disposing these structures in this manner has a profound, unexpected, synergistic visual effect. A highly color shifting device is provided wherein the hologram appears to float in space."

Page 6, lines 17-26 through page 7, lines 1-3, which are restated as follows:

"In contrast to the instant claimed invention, Uyama et al do not teach that the color shifting coating layer is formed on the second surface of the substrate, opposite to the first surface, (where the hologram layer is formed)."

In contrast to the teachings of Uyama et al, applicants' claims define a method that yields a structure wherein the microstructural interference pattern is disposed (a predetermined distance) on the other side of the substrate from the color shifting multilayer optical coating overlying the second surface of the substrate.

It should be understood, that forming the interference structure on the same or different sides of the substrate is 'not the same'; they have profoundly different visual effects."

In re Patent Application of:  
**PHILLIPS ET AL**  
Serial No. 10/706,142  
Filed: 11/12/2003

---

From the foregoing restated portions of the amendment of November 2, 2005, it can be seen that, in that amendment, Applicants did, in fact, delineate features of independent Claim 1 that Applicants believe patentably distinguishes over Uyama et al -- i.e., the fact that Claim 1 specifies forming a color shifting optical coating on one surface (the second surface) of the substrate, whereas the optical interference pattern is on the first surface of the substrate, the first surface of the substrate being characterized in Claim 1 as opposite to the surface of the substrate. Applicants respectfully submit that Claim 1 recites and Applicants have pointed out those structural features of the security article that are not found in Uyama et al. As such Applicants respectfully submit that the amendment of November 2, 2005, complies with 37 C.F.R. § 1.111 and is fully responsive to the Office Action of August 2, 2005.

As to the composition of the color shifting film, (e.g., absorber, dielectric and reflector layers) Claim 1 does not delineate. Instead, the composition of the color shifting optical film is set forth in dependent claims, such as Claims 3, 4, 5 and 6. Claim 1, as amended by the amendment of November 1, 2005, is believed to patentably distinguish over Uyama et al for the reasons given in that amendment. As such, it is respectfully submitted that the amendment of November 2, 2005, does make it clear why Applicants believe Claim 1 is allowable.

The particular composition of the color shifting optical film recited in the Patent Office Communication of January 18, 2006, is that of dependent claim 3. In the amendment of November 2, 2005, Applicants addressed the manner in which

In re Patent Application of:  
PHILLIPS ET AL  
Serial No. 10/706,142  
Filed: 11/12/2003

---

this particular composition of the color shifting optical film patentably distinguishes over Uyama et al by the statement in lines 10-16 of page 6 of the amendment, which are restated as follows:

"It should be further noted that Uyama et al's absence of a reflector as defined in Claim 3 of the instant claims, makes his device inferior to the Applicants' embodiment having a reflector layer yielding a high chroma. For Uyama et al to have high chroma, his device is best placed on a black background. This requirement is obviated by Applicants' structure by inclusion of a reflective layer." (Emphasis Added)

Applicants do not understand the following statement in the Patent Office Communication of January 18, 2006:

"It should be noted that the reasons for allowance of USP 6,761,959 included the structure of the color shifting film (i.e. absorber, dielectric and reflector layers) and further, that such were not provided by the instant examiner as alleged at page 4 of the amendment."

Applicants' review of page 4 of the amendment of November 2, 2005, reveals no such allegation. What Applicants did actually state in the amendment of November 2, 2005, is found in lines 17-20 on page 4 of that amendment, which are restated as follows:

"Applicant has amended Claim 1 to more clearly define the invention and to more closely follow the claim wording of his issued United States Patent 6,761,959 examined by the Examiner of this instant application." (Emphasis added)

In re Patent Application of:  
**PHILLIPS ET AL**  
Serial No. 10/706,142  
Filed: 11/12/2003

---

If something further from Applicants on this point is required, clarification by the Examiner would be appreciated.

While the indication of allowable subject matter regarding a claim commensurate in scope with what was allowed in US Patent 6,671,959 is gratefully acknowledged, it is respectfully submitted that Claims 1-7, as currently amended, are allowable for the reasons detailed in the amendment as submitted November 2, 2005.

Finally, in order to be as fully responsive as possible to the Patent Office Communication of January 18, 2006, the following point of clarification is offered. The first sentence in lines 7-10, of page 10, of the Remarks of the Amendment of November 2, 2005, should read as follows:

"Furthermore, the color shift for the device taught by Uyama et al is small compared to the color shift of the color shifting optical coating formed on the one surface of the substrate of the security article, opposite to the other surface thereof having the optical interference pattern, as defined in Claims 1-7 of this application."

In view of the foregoing, as well as the amendments and remarks of the amendment of November 2, 2005, favorable reconsideration of Claims 1-7 of the present application is respectfully requested.

Should any minor informalities need to be addressed, the Examiner is encouraged to contact the undersigned attorney at the telephone number listed below.

Please charge any shortage in fees due in connection with




In re Patent Application of:  
PHILLIPS ET AL  
Serial No. 10/706,142  
Filed: 11/12/2003

---

the filing of this paper, including Extension of Time fees, to  
Deposit Account No. 50-1465 and please credit any excess fees  
to such deposit account.

Respectfully submitted,



Telephone: (321) 725-4760

---

CHARLES E. WANDS  
Reg. No. 25,649  
Customer No. 27975

CERTIFICATE OF FACSIMILE TRANSMISSION

I HEREBY CERTIFY that the foregoing correspondence has  
been forwarded via facsimile number 571-273-8300 to MAIL STOP  
AMENDMENT, COMMISSIONER FOR PATENTS, this 13 day of  
February 2006.

WOWE